

Service Area Plan

Motor Vehicle Dealer Board

Consumer Assistance (55002)

Service Area Background Information

Service Area Description

Motor vehicle dealer board staff receives and respond to nearly 5000 complaints annually concerning the conduct of persons and businesses licensed by the Board. Staff also monitors dealer advertising to ensure compliance with Virginia Code to ensure truth in advertising. In extreme cases, the Board, in conjunction with staff, dispenses disciplinary action when appropriate.

The Motor Vehicle Dealer Board also administers the Transaction Recovery Fund for consumers that have proven, via a circuit court ruling, that they were defrauded by a Virginia dealer licensed by the Board. At the time of this report during FY06, Dealer Board staff dispensed nearly \$134,000.00 from the Transaction Recovery Fund to 10 consumers defrauded by Commonwealth of Virginia dealers. This represents an approximate 40% increase over FY05 pay outs. This percentage is expected to increase due to existing cases to be brought before the Board for approval before the end of the '06 fiscal period.

Service Area Alignment to Mission

It is stated in the agency mission that the Motor Vehicle Dealer Board is charged by Code to promote the best interest of the dealer body AND the automobile consumer. The Motor Vehicle Dealer Board takes this charge seriously by consistently providing the Commonwealth of Virginia auto consumer with easy accessibility to our offices and staff. The Motor Vehicle Dealer Board has provided the Commonwealth constituency with the following over previous fiscal periods:

- Toll Free Number

for those who do not have the financial means of calling our office outside the Richmond city area, and to make it easier to contact us.

- An automated complaint form

available from our website and a dedicated public address and email folder viewed regularly by staff for incoming correspondence. A performance measure has been established to ensure staff respond to the correspondence in a timely fashion.

- An Automated Dealer Look Up Function

available from our agency website. A consumer may verify whether a particular dealer is sanctioned by the Board and whether a salesperson is employed by the dealership prior to making a purchase.

The Motor Vehicle Dealer Board also administers the Transaction Recovery Fund for consumers that have proven, via a circuit court ruling, that they were defrauded by a Virginia dealer licensed by the Board.

Service Area Statutory Authority

The Transaction Recovery Fund statutory authority is derived from Transaction Recovery Fund, Title 46.2, Chapter 15, Article 3, § 46.2-1527.

Service Area Customer Base

Customer(s)	Served	Potential
Commonwealth of Virginia Motor Vehicle Consumer	8,750	11,400

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Anticipated Changes In Service Area Customer Base

Currently, the Board serves the following:

- dealers
- potential dealers
- salespersons
- auto auctions
- consumers
- attorneys
- local law enforcement
- DMV
- local zoning officials

The Board does not anticipate any changes to this customer base; however, the number of contacts and transactions performed within these groups are expected to increase. Also, the Board will be requesting future legislation to expand the definition of a salesperson to include "finance specialists." This will require those working for dealerships in a financing capacity be required to obtain a salesperson's license from the Board.

Service Area Partners

Department of Motor Vehicles

Provides consumer assistance in those areas not governed by the Motor Vehicle Dealer Board code sections. May need DMV assistance in cases requiring needed investigative authority.

Service Area Partners

Department of State Police

May need State Police assistance in cases requiring policing authority.

Service Area Partners

Office of Consumer Affairs

Provides consumer assistance in those areas not governed by the Motor Vehicle Dealer Board code sections.

Service Area Partners

Office of the Attorney General

Provides legal advice in those cases requiring opinion or interpretation of law.

Service Area Products and Services

- Consumer assistance involving research, investigation, direction, correspondence, and conflict resolution.
- Transaction Recovery Fund administration for those who proven, via the court system, that they have been defrauded by a Virginia dealer(ship) licensed by the Board.

Factors Impacting Service Area Products and Services

The automobile industry is a fluctuating market. In previous years this market has proven itself to be a "cornerstone" in the national economy. However, it is difficult to judge the industry's economic direction.

Anticipated Changes To Service Area Products and Services

Although the national consumer market is currently experiencing a downswing, the automobile industry remains afloat through special and creative incentives offered to the consumer; thus, making purchasing (even in a down market) attractive.

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Service Area Human Resources Summary

Service Area Human Resources Overview

Organizationally, the Board staff is divided into two functional areas: Field Operations and Headquarters Operations. The field operations consist of a supervisor and eleven field representatives who work out of their "home-offices" located throughout the Commonwealth. Educating dealers, salespersons and consumers is the primary focus of the field representatives. Enforcement becomes necessary only after continued, blatant disregard for laws.

The number one priority of the Dealer Board Headquarters Operations is to process initial and renewal applications of our licensees (dealers and salespersons). This work constitutes the highest volume and work effort of the Headquarters staff.

Motor Vehicle Dealer Board Organizational and Operational Chart



Service Area Full-Time Equivalent (FTE) Position Summary

Effective Date:

Total Authorized Position level	3
Vacant Positions	0
Non-Classified (Filled).....	0
Full-Time Classified (Filled)	3
Part-Time Classified (Filled)	0
Faculty (Filled)	0
Wage	0
Contract Employees	0
Total Human Resource Level	3

Factors Impacting Service Area Human Resources

The Motor Vehicle Dealer Board has implemented an automation and reengineering activity that will "overhaul" all existing core business functions within the Consumer Assistance and Motor Vehicle Dealer and Salesperson Regulation service areas.

To ensure activity completion in a timely manner without increased impact to daily operational function, and with an estimated 20-25% productivity (processing) increase, in all probability, in a future budget cycle, the Dealer Board will need to fill the current vacant positions and request the return of several full-time

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Motor Vehicle Dealer Board

Consumer Assistance (55002)

employee (FTE) positions previously forfeited during the 2002 budget cuts. Authorizing future additional FTE positions will provide the agency with the flexibility necessary for future recruitment.

Anticipated Changes in Service Area Human Resources

Several Motor Vehicle Dealer Board became eligible for retirement during FY06. To offset possible loss of staff during FY07, the agency will begin cross-training support staff members. However, with on going automation and reengineering activities coinciding with possible retirement and attrition, the agency will be challenged with trying to maintain the current agency performance levels versus attempting to improve upon it, struggling to maintain current daily operational customer service delivery, and stalling the automation and reengineering activity that would ultimately assist in alleviating cumbersome workflow burden. The Motor Vehicle Dealer Board will be able to maintain its' current appropriation balance during FY06 while improving its' performance level.

Service Area Financial Summary

The Consumer Assistance service area is funded solely by fee revenue collected from the dealer community. Fees submitted to the agency by dealers cover all core business functions and services provided by the Board. When these fees were adjusted in FY96, it was done with a five year planning horizon. The plan was for the Board to collect sufficient yearly revenues to accumulate a fund balance that would meet operational needs throughout that five-year period.

However, efficiencies implemented within the agency have prolonged initial projections. The existing fee structure, which was established in FY96, should provide a revenue base capable of supporting the agency throughout the end of FY07.

The Board's financial accounting and reporting functions are provided by DMV. As a result of this joint effort, the Board has been able to conduct its statutory responsibilities and its financial management functions in a most cost-effective manner.

Since the Motor Vehicle Dealer Board is self-funded, monies appropriated from the agency's reserve (special) funds cover the Board and Operational expenses within the Administrative Service area. Monthly revenue, on average \$141,150 per month, generated by fee collection, provide additional funding for the agency. Annually, these additional revenue funds equate to approximately \$1,693,000, which supplement the Motor Vehicle Dealer Board appropriated budget. Approximately 33% of annual revenue is generated by to this service area.

	<u>Fiscal Year 2007</u>		<u>Fiscal Year 2008</u>	
	General Fund	Nongeneral Fund	General Fund	Nongeneral Fund
Base Budget	\$0	\$181,772	\$0	\$181,772
Changes To Base	\$0	\$13,682	\$0	\$13,682
SERVICE AREA TOTAL	\$0	\$195,454	\$0	\$195,454

Service Area Plan

Motor Vehicle Dealer Board

Consumer Assistance (55002)

Service Area Objectives, Measures, and Strategies

Objective 55002.01

To Decrease Consumer Correspondence Response Time

Currently, the Motor Vehicle Dealer Board tracks and reports response time of email received from the public email site via the agency website. Eventually, this objective will change to include all consumer correspondence and inquiries the agency receives. On going agency automation and reengineering activity when implemented, will assist staff efforts to meet future performance objective over time.

This Objective Supports the Following Agency Goals:

- Provide a high level of customer service.
- Promote the interest of both the automotive consumer and the dealer body.

This Objective Has The Following Measure(s):

- **Measure 55002.01.01**

Percent of all correspondence responded to within 3 business days.

Measure Type: Output

Measure Frequency: Monthly

Measure Baseline: New Measure

Measure Target: 98%

Measure Source and Calculation:

Total monthly consumer correspondence responded to within three (3) business days.

Objective 55002.01 Has the Following Strategies:

- The agency automation and reengineering activity has been implemented for this particular measure, and will assist staff efforts to meet this performance objective. Consumer correspondence has been converted to templates so that staff selects response from a menu versus typing individual letters. All incoming consumer correspondence will be tracked via one system and automated to produce monthly reports. Outgoing consumer responses will be batch printed overnight (nightly) and corresponding envelopes electronically stamped.

Objective 55002.02

To Ensure Effective Management of the Transaction Recovery Fund

Motor Vehicle Dealer Board staff will pursue legislation via the General Assembly to establish a maximum limit on the Transaction Recovery Fund balance. The measure should approve all fund balances exceeding the maximum established limit being allocated into the agency operational budget.

This Objective Supports the Following Agency Goals:

- Provide a high level of customer service.
- Promote the interest of both the automotive consumer and the dealer body.
- Administer sections of the Commonwealth's Motor Vehicle Dealer Laws and regulations, as charged.

This Objective Has The Following Measure(s):

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- **Measure 55002.02.01**

Percent of Transaction Recovery Fund Balance Overage Transferred to Agency Operating Budget

Measure Type: Outcome **Measure Frequency:** Quarterly

Measure Baseline: New Measure.

Measure Target: 100%

Measure Source and Calculation:

Quarterly automated fund balance reporting.

Objective 55002.02 Has the Following Strategies:

- Fund balance not to exceed a predetermined maximum limit to more effectively manage and utilize fund balances within operational parameters.

Service Area Plan

Motor Vehicle Dealer Board

Motor Vehicle Dealer and Salesman Regulation (56023)

Service Area Background Information

Service Area Description

The primary focus of the Board is to license and regulate the nearly 4000-combined franchise (new) automobile dealers and independent (used) automobile dealers within the Commonwealth of Virginia. These dealers have a combined total workforce of approximately 23,000 licensed salespersons. As part of the licensing process, the Board also issues dealer license plates and renewal decals as directed by DMV. In a typical year, the agency will process over 3,200 dealer-related license transactions, over 20,500 salesperson license transactions, and issue over 36,000 dealer tags.

Organizationally, the Board staff is divided into two functional areas: Field Operations and Headquarters Operations. The field operations consist of a supervisor and eleven field representatives who work out of their "home-offices" located throughout the Commonwealth. Educating dealers and salespersons is the primary focus of the field representatives. However, enforcement becomes necessary only after continued, blatant disregard for laws.

By the end of FY05, Motor Vehicle Dealer Board field representatives had performed a total of 2,814 Commonwealth dealership inspections. 342 of those inspections resulted in violation notices being posted to the dealership, and 27 of those violation notices resulted in informal or formal hearings being conducted.

Also, during the FY05 period, Motor Vehicle Dealer staff identified 197 advertising violations placed by dealerships in print, by web, or by airwaves. Once identified, Board staff makes direct contact by phone with the responsible dealership staff and explains the violation. The purpose of the telephone call is to educate the dealership concerning the advertising code section and give the dealership the opportunity to correct its' mistake. Further advertising violations result in stiffer penalties. During this same period, Board staff issued 27 violation letters and collected \$500.00 in civil penalties.

Service Area Alignment to Mission

As stated in the mission, "the Motor Vehicle Dealer Board will administer sections of the Commonwealth's Motor Vehicle Dealer Laws and regulations as charged." All service area functions are directly linked to this passage by Code.

Service Area Plan

Motor Vehicle Dealer Board

Motor Vehicle Dealer and Salesman Regulation (56023)

Service Area Statutory Authority

The Auto Dealer and Salesperson service area is authorized by the following code sections:

Licensing-Code and Regulations
Title 46.2: Motor Vehicles

Chapter 15: Motor Vehicle Dealers

Article 2. Motor Vehicle Dealer Licenses.

§ 46.2-1508. Licenses required. I

§ 46.2-1508.1. Licensure of certain nonprofit organizations.

§ 46.2-1509. Application for license or certificate of dealer registration.

§ 46.2-1510. Dealers required to have established place of business.

§ 46.2-1511. Dealer-operator to have certificate of qualification.

§ 46.2-1512. Salesperson to have certificate of qualification.

§ 46.2-1513. Continued operation on loss of a dealer-operator holding certificate of qualification.

§ 46.2-1514. Action on applications; hearing on denial; denial for failure to have established place of business.

§ 46.2-1515. Location to be specified; display of license; change of location.

§ 46.2-1516. Supplemental sales locations.

§ 46.2-1517. Changes in form of ownership, make, name.

§ 46.2-1518. Display of salesperson's license; notice on termination.

§ 46.2-1519. License and registration fees; additional to other licenses and fees required by law.

§ 46.2-1520. Collection of license and registration fees; payments from fund.

§ 46.2-1521. Issuance, expiration, and renewal of licenses and certificates of registration.

Service Area Customer Base

Customer(s)	Served	Potential
Commonwealth of Virginia Motor Vehicle Dealer Community	55,000	60,500

Anticipated Changes In Service Area Customer Base

Currently, the Board serves the following:

- dealers
- potential dealers
- salespersons
- auto auctions
- consumers
- attorneys
- local law enforcement
- DMV
- local zoning officials

The Board does not anticipate any changes to this customer base; however, the number of contacts and transactions performed within these groups are expected to increase. Also, the Board will be requesting future legislation to expand the definition of a salesperson to include "finance specialists." This will require those working for dealerships in a financing capacity be required to obtain a salesperson's license from the Board.

Service Area Plan

Motor Vehicle Dealer Board

Motor Vehicle Dealer and Salesman Regulation (56023)

Service Area Partners

Department of Motor Vehicles

The Department of Motor Vehicles, for which the Commissioner chairs the Board, works closely with the Motor Vehicle Dealer Board by providing some administrative services, investigative services for those matters requiring enforcement, certification testing, and joint computer (application-specific) system sharing.

Service Area Partners

Department of State Police

The Department of State Police provides criminal history verification for dealer and salesperson applicants. When and if necessary, the Department of State Police can act as enforcement power in matters involving investigation when the governing Code has been blatantly breached.

Service Area Partners

DynTek Services, Inc.

DynTek Services, Inc., partners with the Motor Vehicle Dealer Board staff to ensure agency information technology infrastructure and for providing application-specific programming staff to assist with automation and reengineering of the agency's core business functions.

Service Area Partners

Office of the Attorney General

Provides legal advice in those cases requiring opinion or interpretation of law.

Service Area Partners

Virginia Automobile Dealers Association

The local chapter of the National Automobile Dealers Association, the Virginia Automobile Dealers Association, represents the Commonwealth's franchise automobile dealer community. The Motor Vehicle Dealer Board, for which some members are also members of VADA, work closely together to ensure timely communication of changes in business practices, cooperative legislation, and information gathering.

Service Area Partners

Virginia Independent Automobile Dealers Association

The local chapter of the Virginia Independent Automobile Dealers Association VIADA represents the Commonwealth's independent automobile dealer community. The Motor Vehicle Dealer Board, for which some members are also members of VIADA, work closely together to ensure timely communication of changes in business practices, cooperative legislation, and information gathering.

Service Area Partners

Washington Area New Automobile Dealers Association (WANADA)

The Washington Area New Automobile Dealers Association (WANADA) represents the Commonwealth's Northern Virginia and Southern Maryland franchise automobile dealer community. The Motor Vehicle Dealer Board works closely together to ensure timely communication of changes in business practices, cooperative legislation, and information gathering.

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Motor Vehicle Dealer Board

Motor Vehicle Dealer and Salesman Regulation (56023)

Service Area Products and Services

- The primary focus of the Board is to license and regulate the nearly 4000-combined franchise (new) automobile dealers and independent (used) automobile dealers within the Commonwealth of Virginia. These dealers have a combined total workforce of approximately 23,000 licensed salespersons. In addition to licensing and regulation, the following core business functions fall within this service area:
 - Inspection
 - Hearings and Violations
 - Advertising
-

Factors Impacting Service Area Products and Services

The automobile industry is a fluctuating market. In previous years this market has proven itself to be a "cornerstone" in the national economy. However, it is difficult to judge the industry's economic direction.

Anticipated Changes To Service Area Products and Services

Although the national consumer market is currently experiencing a downswing, the automobile industry remains afloat through special and creative incentives offered to the consumer; thus, making purchasing (even in a down market) attractive.

Service Area Human Resources Summary

Service Area Human Resources Overview

Organizationally, the Board staff is divided into two functional areas: Field Operations and Headquarters Operations. The field operations consist of a supervisor and eleven field representatives who work out of their "home-offices" located throughout the Commonwealth. Educating dealers, salespersons and consumers is the primary focus of the field representatives. Enforcement becomes necessary only after continued, blatant disregard for laws.

The number one priority of the Dealer Board Headquarters Operations is to process initial and renewal applications of our licensees (dealers and salespersons). This work constitutes the highest volume and work effort of the Headquarters staff.

Motor Vehicle Dealer Board
Organizational and Operational Chart

MVDB Board of Directors

Executive Director

Administrative Assistant

Policy Analyst, Sr.

Office Manager

Field Operations
Supervisor

TRF Analyst
2 Consumer/Advertising Analysts
5 Program Support Techs.

11 Field Reps

Service Area Plan

Motor Vehicle Dealer Board

Motor Vehicle Dealer and Salesman Regulation (56023)

Service Area Full-Time Equivalent (FTE) Position Summary

Effective Date:

Total Authorized Position level	16
Vacant Positions	2
Non-Classified (Filled).....	0
Full-Time Classified (Filled)	10
Part-Time Classified (Filled)	6
Faculty (Filled)	0
Wage	0
Contract Employees	0
Total Human Resource Level	16

Factors Impacting Service Area Human Resources

The Motor Vehicle Dealer Board has implemented an automation and reengineering activity that will "overhaul" all existing core business functions within the Consumer Assistance and Motor Vehicle Dealer and Salesperson Regulation service areas.

To ensure activity completion in a timely manner without increased impact to daily operational function, and with an estimated 20-25% productivity (processing) increase, in all probability, in a future budget cycle, the Dealer Board will need to fill the current vacant positions and request the return of several full-time employee (FTE) positions previously forfeited during the 2002 budget cuts. Authorizing future additional FTE positions will provide the agency with the flexibility necessary for future recruitment.

Anticipated Changes in Service Area Human Resources

Several Motor Vehicle Dealer Board became eligible for retirement during FY06. To offset possible loss of staff during FY07, the agency will begin cross-training support staff members. However, with on going automation and reengineering activities coinciding with possible retirement and attrition, the agency will be challenged with trying to maintain the current overall agency performance levels versus attempting to improve upon it, struggling to maintain current daily operational customer service delivery, and stalling the automation and reengineering activity that would ultimately assist in alleviating cumbersome workflow burden.

Service Area Plan

Motor Vehicle Dealer Board

Motor Vehicle Dealer and Salesman Regulation (56023)

Service Area Financial Summary

The Auto Dealer and Salesperson Regulation service area is funded solely by fee revenue collected from the dealer community. Fees submitted to the agency by dealers cover all core business functions and services provided by the Board. When these fees were adjusted in FY96, it was done with a five year planning horizon. The plan was for the Board to collect sufficient yearly revenues to accumulate a fund balance that would meet operational needs throughout that five-year period.

Efficiencies have expanded projections. The existing fee structure will provide a revenue base capable of supporting the agency through, at least, FY07.

The Board's financial accounting and reporting functions are provided by DMV. As a result of this joint effort, the Board has been able to conduct its statutory responsibilities and its financial management functions in a most cost-effective manner.

The Motor Vehicle Dealer Board is on firm financial ground. As noted above, when the original fee schedule was adopted, it was projected that a fee increase would be needed in five years time. Current projections show that the current fee structure will cover the Board's expenses for an additional five to six years beyond the original projection.

Since the Motor Vehicle Dealer Board is self-funded, monies appropriated from the agency's reserve (special) funds cover the Board and Operational expenses within the Administrative Service area. Monthly revenue, on average \$141,150 per month, generated by fee collection, provide additional funding for the agency. Annually, these additional revenue funds equate to approximately \$1,693,000, which supply the Motor Vehicle Dealer Board appropriated budget. Approximately 67% of annual revenue is generated by this service area. Work performed in this service area constitutes the highest volume and processing effort of the MVDB workforce.

	<u>Fiscal Year 2007</u>		<u>Fiscal Year 2008</u>	
	General Fund	Nongeneral Fund	General Fund	Nongeneral Fund
Base Budget	\$0	\$881,616	\$0	\$881,616
Changes To Base	\$0	\$63,328	\$0	\$63,328
SERVICE AREA TOTAL	\$0	\$944,944	\$0	\$944,944

Service Area Plan

Motor Vehicle Dealer Board

Motor Vehicle Dealer and Salesman Regulation (56023)

Service Area Objectives, Measures, and Strategies

Objective 56023.01

To Decrease Salesperson Application Processing Time

Decreases the current processing time for "clean" salesperson applications by one (1) business day.

This Objective Supports the Following Agency Goals:

- Provide a high level of customer service.
- Promote the interest of both the automotive consumer and the dealer body.
- Administer sections of the Commonwealth's Motor Vehicle Dealer Laws and regulations, as charged.

This Objective Has The Following Measure(s):

- **Measure 56023.01.99**

Percent of salesperson applications processed within 4 working days.

Measure Type: Output

Measure Frequency: Monthly

Measure Baseline: Currently at 98%

Measure Target: 99%

Measure Source and Calculation:

Current Microsoft Access Applicant Tracking & Performance Database

Objective 56023.01 Has the Following Strategies:

- On-going agency reengineering and automation activities, and securing return of 3 of 4 forfeited FTE positions will assist in meeting service area objective.

Objective 56023.02

To Reduce Original (New) Dealership Inspection Timeframe

Facilitate increased Virginia commerce by assisting new automobile dealerships entry into the marketplace more rapidly.

This Objective Supports the Following Agency Goals:

- Provide a high level of customer service.
- Promote the interest of both the automotive consumer and the dealer body.
- Administer sections of the Commonwealth's Motor Vehicle Dealer Laws and regulations, as charged.

This Objective Has The Following Measure(s):

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Motor Vehicle Dealer and Salesman Regulation (56023)

- **Measure 56023.02.90**

Percent of original (opening) dealerships inspected within 30 days of internal IS12 submission.

Measure Type: Output

Measure Frequency: Monthly

Measure Baseline: Currently at 89%

Measure Target: 90%

Measure Source and Calculation:

Measure is tracked in agency SQL application by determining number of new dealership inspections performed within 30 days from total number of new dealership inspection performed.

Objective 56023.02 Has the Following Strategies:

- On-going agency reengineering and automation activities, and securing return of 3 of 4 forfeited FTE positions will assist in meeting service area objective.

Service Area Plan

Motor Vehicle Dealer Board

Administrative Services (56048)

Service Area Background Information

Service Area Description

The Motor Vehicle Dealer Board has two core business functions commissioned under the Administrative Service area. These core business functions are outlined below. Each core business function has associated process that serves as the service area base structure that supports the global agency mission, and establishes the internal operating framework.

- Board Administration
 - Board Correspondence
 - Meeting Management
- Operations
 - Facilities
 - Legal
 - Staff
 - Interagency Processing
 - Information Technology

Service Area Alignment to Mission

The administrative service area of the Motor Vehicle Dealer Board directly aligns with the agency's mission statement in that it establishes the agency's operational framework in accordance with the Code of Virginia.

In particular, the general administration service area is comprised to two core business functions (Board Administration and Operations). In accordance with the Code of Virginia, the Board determines the organizational direction by establishing agency policy and precedent.

Then, Operations set agency procedure and guidelines for which the remaining service areas and associated core business functions operate.

Appropriately, the Motor Vehicle Dealer Board service areas are interlaced with the agency's vision, mission, Code, core business functions, and processes.

Service Area Statutory Authority

The Motor Vehicle Dealer Board's authority is derived from Title 46.2 of the Code of Virginia:

§ 46.2-1503. Motor Vehicle Dealer Board.

§ 46.2-1503.4. General powers and duties of Board.

Service Area Customer Base

Customer(s)	Served	Potential
Commonwealth of Virginia Motor Vehicle Consumer	8,750	11,400
Commonwealth of Virginia Motor Vehicle Dealer Community	55,000	60,500

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Motor Vehicle Dealer Board

Administrative Services (56048)

Anticipated Changes In Service Area Customer Base

Currently, the Board serves the following:

- dealers
- potential dealers
- salespersons
- auto auctions
- consumers
- attorneys
- local law enforcement
- DMV
- local zoning officials

The Board does not anticipate any changes to this customer base; however, the number of contacts and transactions performed within these groups are expected to increase. Also, the Board will be requesting future legislation to expand the definition of a salesperson to include "finance specialists." This will require those working for dealerships in a financing capacity be required to obtain a salesperson's license from the Board.

Service Area Partners

Department of Motor Vehicles

The Department of Motor Vehicles, for which the Commissioner chairs the Board, works closely with the Motor Vehicle Dealer Board by providing some administrative services, investigative services for those matters requiring enforcement, certification testing, and joint computer (application-specific) system sharing.

Service Area Partners

Department of State Police

The Department of State Police provides criminal history verification for dealer and salesperson applicants. When and if necessary, the Department of State Police can act as enforcement power in matters involving investigation when the governing Code has been blatantly breached.

Service Area Partners

DynTek Services, Inc.

DynTek Services, Inc., partners with the Motor Vehicle Dealer Board staff to ensure agency information technology infrastructure and for providing application-specific programming staff to assist with automation and reengineering of the agency's core business functions.

Service Area Partners

Office of the Attorney General

Provides legal advice in those cases requiring opinion or interpretation of law.

Service Area Partners

VITA

The Virginia Information Technologies Agency provides IT-related support outside the scope of the agency's seat management contract.

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Motor Vehicle Dealer Board

Administrative Services (56048)

Service Area Products and Services

- The administrative service area provides the structure for operating all agency service areas, core business functions, and business processes. This service area is comprised of Board Administration (for which agency policy and direction is established) and Operations (which is comprised of administrative staff, legal services, facilities, inter-agency processing and support administration, and information technology).
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Factors Impacting Service Area Products and Services

The Motor Vehicle Dealer has implemented an automation and reengineering activity that will "overhaul" all existing core business functions within the Consumer Assistance and Motor Vehicle Dealer and Salesperson Regulation service areas. As part of this activity, the Dealer Board intends to establish an automated, historical dealer-database "warehouse" (SQL application-specific) where all records pertaining to dealers licensed by the Board will be available to staff, on-line, from their desktop versus several independent paper file and internal database application locations as they are now.

The Motor Vehicle Dealer Board expects to reinvest (carry forward) unused, but previously approved, FY06 appropriated activity fund balances into FY07 for continued development of this activity.

Also, to ensure activity completion in a timely manner without increased impact to daily operational function, and with an estimated 20-25% productivity (processing) increase, the Dealer Board will, in a future budget cycle, be requesting the return of three (3) of four (4) full-time employee (FTE) positions previously forfeited during the 2002 budget cuts. Authorizing future additional FTE positions will provide the agency with the flexibility necessary for future recruitment.

Anticipated Changes To Service Area Products and Services

As with any automation and reengineering activity of this magnitude, the Motor Vehicle Dealer Board anticipates numerous agency and customer benefits such as increased customer service delivery and staff productivity, decreased processing time, greater performance tracking and heightened traceability, and of course, operational cost savings.

Service Area Human Resources Summary

Service Area Human Resources Overview

Organizationally, the Board staff is divided into two functional areas: Field Operations and Headquarters Operations. The field operations consist of a supervisor and eleven field representatives who work out of their "home-offices" located throughout the Commonwealth. Educating dealers, salespersons and consumers is the primary focus of the field representatives. Enforcement becomes necessary only after continued, blatant disregard for laws.

The number one priority of the Dealer Board Headquarters Operations is to process initial and renewal applications of our licensees (dealers and salespersons). This work constitutes the highest volume and work effort of the Headquarters staff.

Service Area Plan

Motor Vehicle Dealer Board

Administrative Services (56048)

Motor Vehicle Dealer Board Organizational and Operational Chart

MVDB Board of Directors

Executive Director

Administrative Assistant

Policy Analyst, Sr.

Office Manager

Field Operations
Supervisor

TRF Analyst
2 Consumer/Advertising Analysts
5 Program Support Techs.

11 Field Reps

Service Area Full-Time Equivalent (FTE) Position Summary

Effective Date:

Total Authorized Position level 5

Vacant Positions 0

Non-Classified (Filled)..... 0

Full-Time Classified (Filled) 5

Part-Time Classified (Filled) 0

Faculty (Filled) 0

Wage 0

Contract Employees 0

Total Human Resource Level 5

Factors Impacting Service Area Human Resources

The Motor Vehicle Dealer Board has implemented an automation and reengineering activity that will "overhaul" all existing core business functions within the Consumer Assistance and Motor Vehicle Dealer and Salesperson Regulation service areas.

To ensure activity completion in a timely manner without increased impact to daily operational function, and with an estimated 20-25% productivity (processing) increase, in all probability, in a future budget cycle, the Dealer Board will need to fill the current vacant positions and request the return of several full-time employee (FTE) positions previously forfeited during the 2002 budget cuts. Authorizing future additional FTE positions will provide the agency with the flexibility necessary for future recruitment.

Anticipated Changes in Service Area Human Resources

Several Motor Vehicle Dealer Board staff members became eligible for retirement during FY06. To offset possible loss of staff during FY07, the agency will begin cross-training support staff members. However, with on going automation and reengineering activities coinciding with possible retirement and attrition, the agency will be challenged with trying to maintain the currently agency performance levels of versus attempting to improve upon it, struggling to maintain current daily operational customer service delivery, and stalling the automation and reengineering activity that would ultimately assist in alleviating cumbersome workflow burden. The Motor Vehicle Dealer Board will be able to maintain its' current

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Motor Vehicle Dealer Board
Administrative Services (56048)

appropriation balance during FY07 while improving its' performance level.

Service Area Financial Summary

The Motor Vehicle Dealer Board expects to reinvest (carry forward) unused, but previously approved, FY06 appropriated activity fund balances into FY07 for continued development of this activity. However, continued funding for the activity's completion must be secured to realize a return on the initial investment.

Also, to ensure activity completion in a timely manner without increased impact to daily operational function, and with an estimated 20-25% productivity (processing) increase, the Dealer Board will, in a future budget cycle, request the return of three (3) of four (4) full-time employee (FTE) positions previously forfeited during the 2002 budget cuts. Authorizing future additional FTE positions will provide the agency with the flexibility necessary for future recruitment.

	<u>Fiscal Year 2007</u>		<u>Fiscal Year 2008</u>	
	General Fund	Nongeneral Fund	General Fund	Nongeneral Fund
Base Budget	\$0	\$762,812	\$0	\$762,812
Changes To Base	\$0	\$34,379	\$0	\$34,379
SERVICE AREA TOTAL	\$0	\$797,191	\$0	\$797,191

Service Area Plan

Motor Vehicle Dealer Board

Administrative Services (56048)

Service Area Objectives, Measures, and Strategies

Objective 56048.01

To Increase Management Scorecard Rating

To ensure that resources are used efficiently and programs managed, and in a manner consistent with applicable state and federal requirements.

This Objective Supports the Following Agency Goals:

- Provide a high level of customer service.
- Promote the interest of both the automotive consumer and the dealer body.
- Administer sections of the Commonwealth's Motor Vehicle Dealer Laws and regulations, as charged.

This Objective Has The Following Measure(s):

- **Measure 56048.01.03**

Percent of Governor's Management Scorecard categories marked as meets expectation for the agency

Measure Type: Outcome **Measure Frequency:** Annually

Measure Baseline: 80% (FY2005)

Measure Target: 100%

Measure Source and Calculation:

Ratings received on the Governor's Management Scorecard.

Objective 56048.01 Has the Following Strategies:

- Continue to procure supplies and services that directly contribute to and are aligned with the MVDB agencies goals to provide a high level of customer service, that promote the interest of both the automotive consumer and the dealer body, and facilitate the agency in administering sections of the Commonwealth's Motor Vehicle Dealer Laws and Regulations.

Objective 56048.02

To Improve Customer Service Delivery

The Motor Vehicle Dealer Board has implemented an automation and reengineering activity that will "overhaul" all existing core business functions within the Consumer Assistance and Motor Vehicle Dealer and Salesperson Regulation service areas. As part of this activity, the Dealer Board intends to establish an automated, historical dealer-database "warehouse" (SQL application-specific) where all records pertaining to dealers licensed by the Board will be available to staff, on-line, from their desktop versus several independent paper file and internal database application locations as they are now.

The Dealer Board began this activity in the last quarter of FY05 by procuring the necessary hardware (a mid-range production scanner), "intelligent" imaging software, and the needed programming services under the agency seat management contract. Currently, the software has been programmed to capture a portion of existing historical records, and staff has begun scanning. All internal, independent databases will eventually be incorporated into the historical database. However, this is not the activity in its' entirety.

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Running concurrently with the scanning of historical records and incorporation of internal applications, Motor Vehicle Dealer Board staff have begun reengineering core business function processes. This reengineering action will be performed in stages, by "module", and each business process will be implemented in succession. Process mapping of the first module has been completed. This mapping exercise fully automates the function to include increased service delivery improvements achieved by use of newly procured "intelligent" software. Automated workflow enhancements, decreased processing cycle time, increased tracking and reporting mechanisms, and automatic dealer-specific record archival and retrieval have been incorporated into the process function.

The Motor Vehicle Dealer Board anticipates numerous agency and customer benefits such as increased customer service delivery and staff productivity, decreased processing time, greater performance tracking and heightened traceability, and of course, operational cost savings.

The Board has previously benchmarked the success of this methodology by applying this automation and reengineering technique to their field operations. All internal paper forms used to request field services, investigate, document and report findings to internal staff were automated and a "relay" system using Microsoft Outlook over a secured DLL to transfer reports was established. The entire process was "encased" in an internal database application (this application will be incorporated into the larger historical application under development). Immediate returns on investment were identified, and the decision was made to apply this automation and reengineering methodology across the remaining core service functions within the agency.

The Motor Vehicle Dealer Board expects to reinvest (carry forward) unused, but previously approved, FY06 appropriated activity fund balances into FY07 for continued development of this activity. However, continued funding for the activity's completion must be secured to realize a return on the initial investment.

Also, to ensure activity completion in a timely manner without increased impact to daily operational function, and with an estimated 20-25% productivity (processing) increase, the Dealer Board will, in a future budget cycle, request the return of three (3) full-time employee (FTE) positions previously forfeited during the 2002 budget cuts. Authorizing future additional FTE positions will provide the agency with the flexibility necessary for future recruitment.

This Objective Supports the Following Agency Goals:

- Provide a high level of customer service.
- Promote the interest of both the automotive consumer and the dealer body.

This Objective Has The Following Measure(s):

- **Measure 56048.02.02**

Percent of scores received from customer service survey

Measure Type: Output **Measure Frequency:** Monthly

Measure Baseline: New Measure

Measure Target: 95%

Measure Source and Calculation:

Average rating received from customer service survey

Objective 56048.02 Has the Following Strategies:

Service Area Plan
Motor Vehicle Dealer Board
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- Working closely with programmer to ensure this activity remains a programming priority. From an internal priority, ensuring needed "tools" and resources for programmer are readily available.
- Secure three (3) of the four (4) forfeited FTE positions during 2002 budget cuts.